

Company registration number: 02987256

Charity registration number: 1059959

FRIENDS OF BEAMISH, THE NORTH OF ENGLAND OPEN AIR MUSEUM LIMITED

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

MONDAY



AB18KLUH

A04

04/04/2022

#252

COMPANIES HOUSE

Friends of Beamish, The North of England Open Air Museum Limited

Contents

| | |
|--------------------------------------|----------|
| Reference and Administrative Details | 1 |
| Trustees' Report | 2 to 7 |
| Independent Examiner's Report | 8 |
| Statement of Financial Activities | 9 |
| Statement of Financial Activities | 10 |
| Balance Sheet | 11 |
| Notes to the Financial Statements | 12 to 20 |

Friends of Beamish, The North of England Open Air Museum Limited

Reference and Administrative Details

| | |
|------------------------------------|--|
| Trustees | Mr A Ashburner Mr C Slater Mr A Monkhouse Mr J Grundy Mr I Graham Mrs J G Owens Mr I L Bean Mr P Cole Mr M Dix (resigned 11 November 2021) |
| Secretary | Mr A Monkhouse |
| Principal Office | The Friends Office Beamish Museum Stanley County Durham DH9 0RG The charity is incorporated in England & Wales. |
| Company Registration Number | 02987256 |
| Charity Registration Number | 1059959 |
| Bankers | National Westminster Bank Plc Bishop Auckland (A1) Branch 29 Newgate Street Bishop Auckland County Durham DL14 7ET |
| Independent Examiner | Simon Brown BA ACA DChA MHA Tait Walker Chartered Accountant Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS |

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2021.

Structure, governance and management

Nature of governing document

The charitable company is limited by guarantee and its governing document is its Memorandum and Articles of Association dated 7th November 1994 and last amended 10th May 1997.

The charitable company is a Registered Charity Number 1059959. The charitable company is incorporated in England and Wales No 02987256.

The members of the Board hold no shares in the charitable Company but each member is a guarantor of the charitable company to an amount not exceeding £1, in the event of the winding up of the charitable company.

Recruitment and appointment of trustees

Under the Articles of Association of the Company all Trustees/Directors hold their appointment for a maximum of three years before having to retire. The term of appointment commences from the date of the Annual General Meeting at which they were appointed.

The Trustees /Directors retiring have the opportunity to offer themselves for re-election at the next Annual General Meeting.

Notice is given to all members of the Company of the date of the Annual General Meeting with a written statement showing the retiring Trustees/Directors and whether or not they are willing to stand for re-election.

Applications for new Trustees/Directors (other than those seeking re-election) must apply in writing with a short c.v. in advance of the Annual General Meeting to the Registered Office of the Friends with their signed nomination and that of the nominating member.

Recruitment for a new a trustee/director can be made on the instructions of the current members of the Board or by way of advertisement if requisite skills are required for the post.

The Trustees/Directors are elected by the members of the charitable company.

Induction and training of trustees

Most trustees are already familiar with the practical work and objectives of the charitable company bringing their own relevant and unique skills. Trustees are actively encouraged to attend board meetings to ensure that they are always up to date with the latest activities of the charitable company.

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

Objectives and activities

Objects and aims

The Objects of the Friends of Beamish are "to advance the education of the public by the promotion and support of the charitable activities of Beamish".

In furtherance of these objects the Friends undertake restoration work and generally encourage interest in the history of the region and the work of the Museum. In 2021 this work was understandably quiet due to the Coronavirus pandemic. Under the Governments Covid 19 national lockdown the Museum was closed for the majority of the year and whilst it was able to open for a short time in the Autumn, visitor numbers were reduced due to government social distancing restrictions.

Objectives, strategies and activities

The regular meetings of the Management Board were held virtually throughout the year including the AGM which should have been held in May. We thank everyone for their understanding of this situation.

Towards the end of the year 'Friends' Friday evening talks were held via the 'Zoom' Conferencing App which received a positive response. Although this method had some time limitations it enabled the membership to keep in touch.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

Public benefit

During 2021 the museum was nominated for various awards including the Culture Awards held at Durham Cathedral in September, Inspiring Females Awards (Chamber) held at Newcastle Civic Centre in November and County Durham Together Awards 2021 held at Ramside Hotel in Durham. The Partnerships team plus Rhiannon and Sarah Salter were in attendance, making new connections and raising awareness of the museum via social media. Initiatives to increase income have included the installation of a donation point in the Main Entrance which has earned us £1,800 (less fees) in visitor donations.

The Partnerships team, in conjunction with the retail and transport colleagues, have put together a 'sponsor an item of transport' package which is sold online and in the gift shop offering visitors the chance to help support the period transport (buses, trams or steam engines); the launch for which will be in Spring 2022.

Corporate hire of meeting spaces at the museum will be a focus area for income growth in 2022 with several new enquiries received in January and February already.

Beamish's high quality, quarterly news magazine, incorporating the Friends' newsletter, updates the membership on the volunteer's activities throughout the year and continues to be very well received.

The pandemic has reduced the Friends membership considerably, but it currently stands at 4900. During the last 12 months renewals on-line have increased with one positive outcome, as members have been renewing on-line or setting up on-line accounts to book entry timeslots it enabled the organisation to collect the email addresses of approx. 80% of the membership thus making communications easier all round in future and helping to reduce costs. Donations from Friends on-line for the period January 2021 to September 2021 was £855 which goes directly to the museum.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. The charitable objectives are also set out in order to provide a clear and demonstrable public benefit.

Grant making policies

The Board of Directors have a policy on donations which it has agreed with the Museum in order that there is consistency and accountability for sums donated to the Museum.

Use of volunteers

The Friends support has been acknowledged as especially important to Beamish in as much that during 2021 they assisted in the difficult task of keeping the museum going until times improve. Due to the Covid restrictions the Friends workshops were suspended for the majority of the year but were resumed on 21st August with everyone involved receiving a Covid Induction event before returning to the site.

The output from the workshops has almost reached pre-pandemic levels with the restart of projects for the Dodge Bus restoration, new cab for the Ford T Truck and various pieces of woodwork for use around the site all beginning again. After December 2020 the Friday evening meetings were conducted virtually but it is hoped that during 2022 the normal face to face meetings will resume.

Trustees

In November 2021 the Board were saddened by the death of Mr. Malcolm Dix who was a long serving member of the board (1999 to 2021) and who many members will know from his attendance at meetings and hard work for the benefit of the museum. Our thoughts and well wishes go out to his family and friends.

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

Achievements and performance

Despite the museum being closed several times in the last two years 'The Friends' have contributed £151,922 to the Museum this financial year, much of this is to assist with the ongoing Remaking Beamish Project and brings the total donated to the Museum since the Friends were formed to £1,723,497.

Alan Ashburner and Sarah Salter were the Friends' and Business Friends' representatives to the governing body of Beamish. The Friends continue to make major contributions to Beamish both through skilled volunteers and fund raising. Friends hours accrued to approximately 3,528 hours. The total volunteer hours for Beamish were 15,306 hours (including Friends' hours).

The Treasurer's hard work enabled the organisation to fully reclaim gift aid for the whole of the 2020 period totalling over £80k and data is to hand to undertake the task for the 2021 period.

Business Friends

The effects of the pandemic continued into Spring 2021 with the museum finally given government permission to open for grounds offer only from mid-April. However, despite missing the usually very busy Easter trading period the expansive nature of the site meant the museum became an attractive venue for those seeking a safe open-air place in which to meet family and friends during difficult times.

As a result the local business community were tempted to renew their Business Friends membership as it could be championed as a health and wellbeing benefit to reward their staff. They were also able to recruit new partners along these lines too. To date they have 56 paid-up Business Friends with a mix of large and small businesses, bespoke members, and care providers, plus 7 members who wish to keep their membership on 'hold' pending an upturn in the economic climate.

Income from the Business Friends of Beamish in 2021 was £51,380, compared to £29,930 in 2020 and £51,425 in 2019. It is heartening to see therefore that income, along with the number of Business Friends, is almost back to pre-pandemic levels.

The Partnerships team continue to cultivate new Business Friends through attendance at regular networking events, most of which have been over zoom but are now starting to become 'in person'. The team also held two in person events at the museum; one with the Durham Business Club in September and the other with Do Business network (Derwentside) in December. Both were very successful with new contacts made and the museum profile raised on social media. Partnerships are currently liaising with local networks to plan events for the coming year which will be announced once dates and plans are finalised.

Business Friends Leadership Team

The Business Friends leadership team would like to thank all those businesses who continue to support the scheme and to welcome those who have recently taken up membership.

Financial review

The charity funds are controlled by the Board of Directors which also acts as Trustees who invest with a view to maximising annual income while maintaining capital growth in line with market trends. The attached financial statement shows the current state of finances which the trustees consider to be sound. The financial statements conform to statutory requirements and comply with the charity's governing documents. Income from subscriptions is down about 50% against 2019 reflecting the lockdown effect. The charity has had a challenging year but still saw income rise from £172k in 2020 to £231k in 2021.

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charitable company to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. This exercise considered both the normal requirements for working capital and the loss of income of a hypothetical but reasonable reduction in the scale of operations. Resulting from this, the trustees considered it would be appropriate to hold the equivalent of one years' average expenditure, and the which would equate to holding approximately £33,000 in free reserves.

As the year end, free reserves were £36,717 (2020 - £173,309), a decrease of £136,592 in the year. The drop is not a concern as the trustees have designated £206,000 as a future donation to the museum. The trustees will continue to work with funders to budget future surpluses in order to provide improved organisational sustainability.

The trustees have prepared a budget and cash flow forecast and have concluded that the charity continues to be a going concern for the foreseeable future. On that basis they have continued to adopt the going concern basis when preparing the financial statements.

Investment policy and objectives

The trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest trust money with the power from time to time to change for others of a like nature.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charitable company and concluded that there are no KMP other than the board themselves.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash balances and is forecasting for this to continue to be the case.

Risk Review

The Board of Directors have examined the major strategic, business and operational risks which the charitable company faces and confirms that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Following on from the fraud disclosed in Note 9 we have now reviewed and revised the access to our on-line banking facility to remove the possibility of future cyber fraud attempts. Additionally, the event has been referred to Northumbria Police, Action Fraud (who liaise with the National Fraud Intelligence Bureau) and the Charity Commission. Any recommendations received from them will also be implemented.

Friends of Beamish, The North of England Open Air Museum Limited

Trustees' Report

Statement of Trustees' Responsibilities

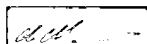
The trustees (who are also the directors of Friends of Beamish, The North of England Open Air Museum Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 28/03/2022 and signed on its behalf by:



Alan Ashburner 28 Mar 2022 13:15:08 BST (UTC +1)

.....
Mr A Ashburner
Trustee

Friends of Beamish, The North of England Open Air Museum Limited

Independent Examiner's Report to the trustees of Friends of Beamish, The North of England Open Air Museum Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 9 to 20.

Respective responsibilities of trustees and examiner

As the charity's trustees of Friends of Beamish, The North of England Open Air Museum Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

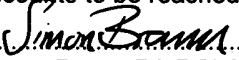
Having satisfied myself that the accounts of Friends of Beamish, The North of England Open Air Museum Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

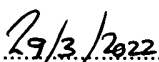
Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Friends of Beamish, The North of England Open Air Museum Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Simon Brown BA DChA ACA
Chartered Accountant
MHA Tait Walker
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date:  29/3/2022

MHA Tait Walker is a trading name of Tait Walker LLP.

Friends of Beamish, The North of England Open Air Museum Limited

Statement of Financial Activities for the Year Ended 31 December 2021

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Total 2021 £ | Total 2020 £ |
|------------------------------------|------|-------------------|--------------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 86,190 | 86,190 | 48,065 |
| Other trading activities | 4 | 145,045 | 145,045 | 119,554 |
| Investment income | 5 | 11 | 11 | 16 |
| Other income | 6 | 60 | 60 | 5,165 |
| Total Income | | <u>231,306</u> | <u>231,306</u> | <u>172,800</u> |
| Expenditure on: | | | | |
| Charitable activities | 7 | (161,910) | (161,910) | (45,076) |
| Other expenditure | 9 | - | - | (17,500) |
| Total Expenditure | | <u>(161,910)</u> | <u>(161,910)</u> | <u>(62,576)</u> |
| Net income | | <u>69,396</u> | <u>69,396</u> | <u>110,224</u> |
| Net movement in funds | | 69,396 | 69,396 | 110,224 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>173,346</u> | <u>173,346</u> | <u>63,122</u> |
| Total funds carried forward | 17 | <u>242,742</u> | <u>242,742</u> | <u>173,346</u> |

All of the charity's activities derive from continuing operations during the above two periods.

Friends of Beamish, The North of England Open Air Museum Limited

Comparative Statement of Financial Activities for the Year Ended 31 December 2020 **(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

| | Note | Unrestricted £ | Total 2020 £ |
|------------------------------------|------|-----------------------|-----------------------|
| Income and Endowments from: | | | |
| Donations and legacies | 3 | 48,065 | 48,065 |
| Other trading activities | 4 | 119,554 | 119,554 |
| Investment income | 5 | 16 | 16 |
| Other income | 6 | 5,165 | 5,165 |
| Total income | | <u>172,800</u> | <u>172,800</u> |
| Expenditure on: | | | |
| Charitable activities | 7 | (45,076) | (45,076) |
| Other expenditure | 9 | <u>(17,500)</u> | <u>(17,500)</u> |
| Total expenditure | | <u>(62,576)</u> | <u>(62,576)</u> |
| Net income | | <u>110,224</u> | <u>110,224</u> |
| Net movement in funds | | 110,224 | 110,224 |
| Reconciliation of funds | | | |
| Total funds brought forward | | <u>63,122</u> | <u>63,122</u> |
| Total funds carried forward | 17 | <u><u>173,346</u></u> | <u><u>173,346</u></u> |

Friends of Beamish, The North of England Open Air Museum Limited

(Registration number: 02987256)
Balance Sheet as at 31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-----------|-----------|
| Fixed assets | | | |
| Tangible assets | 13 | 24 | 37 |
| Current assets | | | |
| Debtors | 14 | 15,888 | 7,086 |
| Cash at bank and in hand | | 237,749 | 171,143 |
| | | 253,637 | 178,229 |
| Creditors: Amounts falling due within one year | 15 | (10,919) | (4,920) |
| Net current assets | | 242,718 | 173,309 |
| Net assets | | 242,742 | 173,346 |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted | | 242,742 | 173,346 |
| Total funds | 17 | 242,742 | 173,346 |

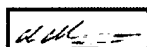
For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 9 to 20 were approved by the trustees, and authorised for issue on 28/03/2022..... and signed on their behalf by:



Alan Ashburner 28 Mar 2022 13:15:08 BST (UTC +1)

Mr A Ashburner
Trustee

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

The address of its registered office is: The Friends Office, Beamish Museum, Stanley, County Durham, DH9 0RG

2 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Friends of Beamish, The North of England Open Air Museum Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements have been prepared in sterling, which is the functional currency of the entity.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash balances and is forecasting for this to continue to be the case.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have provided depreciation, prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having being transferred to the charity.

Other trading activities

Income from memberships are recognised upon receipt since all amounts received are non refundable.

Sponsorship income is recognised upon receipt.

Investment income

Investment income in the form of bank interest received is recognised on receipt of the interest.

Other income

Income from sales of books and event refreshments is recognised upon receipt which is the point of transferring goods.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|--------------------|-------------------------------------|
| Office Equipments | 25% Reducing balance |

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provision are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Income from donations and legacies

| | Unrestricted | | |
|----------------------------|---------------|---------------|---------------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Donations from individuals | 3,272 | 3,272 | 2,201 |
| Legacies | - | - | 45,864 |
| Gift aid reclaimed | 82,918 | 82,918 | - |
| | <u>86,190</u> | <u>86,190</u> | <u>48,065</u> |

4 Income from other trading activities

| | Unrestricted | | |
|--|----------------|----------------|----------------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Local fundraising and street collection income | - | - | 1,289 |
| Membership subscriptions | 99,315 | 99,315 | 88,335 |
| Business Friends of Beamish Membership Subscriptions | 45,730 | 45,730 | 29,930 |
| | <u>145,045</u> | <u>145,045</u> | <u>119,554</u> |

5 Investment income

| | Unrestricted | | |
|--------------------------------------|--------------|-----------|-----------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Interest receivable on bank deposits | <u>11</u> | <u>11</u> | <u>16</u> |

6 Other income

| | Unrestricted | | |
|--------------------|--------------|-----------|--------------|
| | General | Total | Total |
| | £ | 2021 | 2020 |
| | | £ | £ |
| Exceptional Income | - | - | 4,810 |
| Other income | <u>60</u> | <u>60</u> | <u>355</u> |
| | <u>60</u> | <u>60</u> | <u>5,165</u> |

In the prior year the charitable company received £4,810 as compensation from Nat West Bank Plc, in relation to the fraud committed in February 2020 by an external third party. The cost of the fraud is shown in note 9.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Expenditure on charitable activities

| | Activity undertaken directly £ | Grant funding of activity £ | Activity support costs £ | 2021 £ | 2020 £ |
|----------------------------------|-----------------------------------|--------------------------------|-----------------------------|----------------|---------------|
| Donation to Museum | - | 150,000 | - | 150,000 | 27,000 |
| Materials used for Restoration | 1,922 | - | - | 1,922 | 523 |
| Publications | 6,000 | - | - | 6,000 | 10,577 |
| Depreciation | 13 | - | - | 13 | 19 |
| Social Activities | 367 | - | - | 367 | - |
| Printing, Postage and Stationery | - | - | 892 | 892 | 4,279 |
| Subscriptions | - | - | 200 | 200 | 272 |
| Sundry Expenditure | - | - | 523 | 523 | 453 |
| Governance Costs | - | - | 1,993 | 1,993 | 1,953 |
| | <u>8,302</u> | <u>150,000</u> | <u>3,608</u> | <u>161,910</u> | <u>45,076</u> |

£161,910 (2020 - £45,076) of the above expenditure was attributable to unrestricted funds and £Nil (2020 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £1,993 (2020 - £1,953) which relate directly to charitable activities. See note 8 for further details.

8 Analysis of governance and support costs

| Support costs allocated to charitable activities | Governance costs £ | Support costs £ | Total 2021 £ | Total 2020 £ |
|--|-----------------------|--------------------|-----------------|-----------------|
| Printing, Postage and Stationary | - | 892 | 892 | 4,279 |
| Subscriptions | - | 200 | 200 | 272 |
| Sundry Expenditure | - | 523 | 523 | 453 |
| Independent Examiner Fees | 1,920 | - | 1,920 | 1,920 |
| Legal Fees | 73 | - | 73 | 33 |
| | <u>1,993</u> | <u>1,615</u> | <u>3,608</u> | <u>6,957</u> |

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

Governance costs

| | Unrestricted funds General £ | Total 2021 £ | Total 2020 £ |
|---|------------------------------------|--------------------|--------------------|
| Independent examiner fees | | | |
| Examination of the financial statements | 1,920 | 1,920 | 1,920 |
| Legal fees | 73 | 73 | 33 |
| | <u>1,993</u> | <u>1,993</u> | <u>1,953</u> |

9 Other expenditure

| | Total 2021 £ | Total 2020 £ |
|--------------------------|--------------------|--------------------|
| Other resources expended | - | 17,500 |
| | <u>-</u> | <u>17,500</u> |

During the prior year the charitable company was the victim of a online fraud by an unconnected external third party. The gross cost of the fraud amounted to £17,500, however the charity was fortunate to receive £4,810 of funds from its bankers (as shown in note 6 - other income) to offset against the loss.

10 Net incoming/outgoing resources

Net incoming resources for the year include:

| | 2021 £ | 2020 £ |
|------------------------------|--------------|--------------|
| Independent Examination Fees | <u>1,920</u> | <u>1,920</u> |

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Mrs J G Owens

£Nil (2020: £14) of expenses were reimbursed to Mrs J G Owens during the year.

Mr A Monkhouse

£13 (2020: £13) of expenses were reimbursed to Mr A Monkhouse during the year.

Mr A Ashburner

£40 (2020: £Nil) of expenses were reimbursed to Mr A Ashburner during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

12 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

13 Tangible fixed assets

| | Furniture and equipment £ | Total £ |
|-----------------------|--|--------------------|
| Cost | | |
| At 1 January 2021 | <u>1,107</u> | <u>1,107</u> |
| At 31 December 2021 | <u>1,107</u> | <u>1,107</u> |
| Depreciation | | |
| At 1 January 2021 | 1,070 | 1,070 |
| Charge for the year | <u>13</u> | <u>13</u> |
| At 31 December 2021 | <u>1,083</u> | <u>1,083</u> |
| Net book value | | |
| At 31 December 2021 | <u>24</u> | <u>24</u> |
| At 31 December 2020 | <u>37</u> | <u>37</u> |

14 Debtors

| | 2021 £ | 2020 £ |
|---------------|-------------------|-------------------|
| Trade debtors | <u>15,888</u> | <u>7,086</u> |

15 Creditors: amounts falling due within one year

| | 2021 £ | 2020 £ |
|----------|-------------------|-------------------|
| Accruals | <u>10,919</u> | <u>4,920</u> |

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

16 Commitments

Other financial commitments

The trustees agreed to make a £200,000 donation to the museum in Jan 2022 and have designated reserves at the year end.

The total amount of other financial commitments not provided in the financial statements was £200,000 (2020 - £Nil).

17 Funds

| | Balance at 1 January 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2021 £ |
|---------------------|--------------------------------------|----------------------------|----------------------------|----------------|---|
| Unrestricted | | | | | |
| General | | | | | |
| General funds | 173,346 | 231,306 | (161,910) | (206,000) | 36,742 |
| Designated | | | | | |
| Quarterly Magazine | - | - | - | 6,000 | 6,000 |
| 2022 Donation | - | - | - | 200,000 | 200,000 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>206,000</u> | <u>206,000</u> |
| Total funds | <u>173,346</u> | <u>231,306</u> | <u>(161,910)</u> | <u>-</u> | <u>242,742</u> |

Unrestricted funds

| | Balance at 1 January 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 December 2020 £ |
|---------------------|--------------------------------------|----------------------------|----------------------------|----------------|---|
| Unrestricted | | | | | |
| General | | | | | |
| General funds | <u>63,122</u> | <u>172,800</u> | <u>(62,576)</u> | <u>-</u> | <u>173,346</u> |

The specific purposes for which the funds are to be applied are as follows:

The charitable company has designated the following funds:

Quarterly magazine production costs contribution in 2022.
2022 donation - to be paid to the Museum in January 2022.

The only transfers were in relation to the creation of designated funds.

Friends of Beamish, The North of England Open Air Museum Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

18 Analysis of net assets between funds

| | Unrestricted | | Total funds |
|----------------------------------|--------------|------------|-------------|
| | General | Designated | |
| | £ | £ | £ |
| Tangible fixed assets | 24 | - | 24 |
| Net current assets/(liabilities) | 36,718 | 206,000 | 242,718 |
| Total net assets | 36,742 | 206,000 | 242,742 |

| | Unrestricted | | Total funds |
|----------------------------------|--------------|------------|-------------|
| | General | Designated | at 31 |
| | £ | £ | December |
| | | | 2020 |
| | | | £ |
| Tangible fixed assets | 37 | - | 37 |
| Net current assets/(liabilities) | 173,309 | - | 173,309 |
| Total net assets | 173,346 | - | 173,346 |

19 Related party transactions

There were no related party transactions in the year.

20 Ultimate Controlling Party

The ultimate controlling party of the charity is considered to be the trustees themselves.